

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re: New England Motor Freight, Inc., et al.

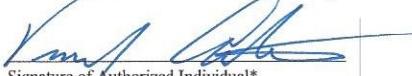
Case No. 19-12809 (JKS) (Jointly Administered)
Reporting Period: 3/31/2019-5/4/2019

MONTHLY OPERATING REPORT
File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1	[REC.1], [DISB. 1], [DISB. 2], [DISB. 3], [C&D.1]		
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a	Zip Folder - Bank Statements & Reconciliations		
Schedule of Professional Fees Paid	MOR-1b	[Prof. & Ins.]		
Copies of bank statements		Zip Folder - Bank Statements & Reconciliations		
Cash disbursements journals				
Statement of Operations	MOR-2	[FS.1]		
Balance Sheet	MOR-3	[FS.2]		
Status of Postpetition Taxes	MOR-4			
Copies of IRS Form 6123 or payment receipt				
Copies of tax returns filed during reporting period				
Summary of Unpaid Postpetition Debts	MOR-4			
Listing of aged accounts payable	MOR-4	[AP.1], [AP.A]		
Accounts Receivable Reconciliation and Aging	MOR-5	[AR.1], [AR.A], [AR.B]		
Debtor Questionnaire	MOR-5			

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.


Signature of Authorized Individual*

5/2/19
Date

Vince J. Colster
Printed Name of Authorized Individual

C.R.O.
Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

In re: New England Motor Freight, Inc., et al. Case No. 19-12809 (JKS) (Jointly Administered)
01. New England Motor Freight (NEMF)
Reporting Period: 3/31/2019-5/4/2019

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

BANK ACCOUNTS																				CURRENT MONTH		CUMULATIVE FILING TO DATE																						
Bank Last 4 Digits of Bank Account	Chase 6365	Chase 7600	Bank of America (BOA) 0377	Capital One 2163	Capital One 5272	EastWest 5280	EastWest 4903	Chase 5180	Chase 5726	Chase 7245	Chase 5162	Chase 8770	Chase 5661	Chase 7555	Chase 7312	M&T 7542	People's United 6042-3	PNC 8845	Chase 671	TD-Canada 9928	TD-Canada 1120 ¹	TD 2465	TD 6143	TD 4274	TD 7939	Wells Fargo 3019	Wells Fargo 9720	ACTUAL	PROJECTED	ACTUAL	PROJECTED													
CASH BEGINNING OF MONTH	\$13,614,565.73	\$0.00	\$4,940.39	\$11,296.13	\$3,805.60	\$8,912.31	\$0.00	\$0.00	\$53,183.42	\$0.00	\$0.00	\$911.95	\$0.00	\$142,985.00	\$62,484.87	\$0.00	\$0.00	\$0.00	\$21,520.78	\$0.00	\$29,420.07	\$127,998.83	\$142,461.67	\$139,002.48	\$11,526.98	\$2,699,275.97	\$828.69	\$5,323.82	\$17,080,444.69		\$8,438,172.64													
RECEIPTS																																												
ACCOUNTS RECEIVABLE	\$4,656,421.64																												\$4,656,421.64		\$31,505,491.95													
Miscellaneous Collections			\$54.88		\$25.65	\$0.63			\$6,514.64												\$0.53	\$2,200.00	\$27.00		\$1.89	\$2,100.86		\$98.70		\$11,024.78		\$1,129,587.76												
LOANS AND ADVANCES																																												
INTERCOMPANY FUNDING	-\$6,249,848.34	\$263,147.83								\$2,914,679.11	\$1,543,572.32			\$112.22			\$1,239,416.22				\$288,920.64																							
DUE FROM OWNER																																												
TRANSFERS																																												
Duplicated Checks- Voided																																												
TOTAL RECEIPTS	-\$1,593,426.70	\$263,147.83	\$54.88		\$25.65	\$0.63	\$0.00	\$0.00	\$6,514.64	\$2,914,679.11	\$1,543,572.32	\$0.00	\$112.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$288,920.64	\$0.53	\$2,200.00	\$27.00	\$0.00	\$1.89	\$2,100.86		\$0.00	\$98.70	\$4,667,446.42		\$42,362,687.73												
DISBURSEMENTS																																												
Miscellaneous	\$28,696.68			\$4,940.39	\$11,296.13		\$701.44			\$784.78	\$56,610.77						\$39,597.40			\$70.07											\$142,697.66		\$268,349.48											
Affiliate Real Estate Payments																																												
AR Garnishment																	\$2,704.19				\$1,618.85																							
Bank Fee			\$54.88		\$25.65	\$25.00	\$12.00										\$112.22																											
Business Insurance	\$20,827.59																\$557,548.45																											
Cargo Claims																																												
Cartage																																												
Classified Ads	\$24,043.00																																											
Company Cars																	\$7,222.92																											
Credit Card Fee																																												
Drivers																																												
Equipment Financing																																												
Fuel	\$8,005.00																\$9,563.65																											
FICA																					\$108,379.80																							
FICA Employer																					\$108,380.23																							
FMLA Insurance																					\$6,830.58																							
FUTA																					\$115,614.11																							
Health Insurance	\$3,103,614.87																	\$302,692.58																										
Income Tax Withheld																																												

BANK ACCOUNTS		CURRENT MONTH																						CUMULATIVE FILING TO DATE											
Bank Last 4 Digits of Bank Account	Chase 6365	Chase 7600	Bank of America (BOA) 0377	BOA 2163	Capital One 5272	Capital One 5280	EastWest 4903	EastWest 5595	Chase 3180	Chase 5726	Chase 7245	Chase 5162	Chase 8770	Chase 5661	Chase 7555	Chase 7312	M&T 7542	People's United 6042-3	PNC 8845	Chase 671	TD-Canada 9928	TD-Canada 1120 ¹	TD 2465	TD 6143	TD 4274	Wells Fargo 3019	Wells Fargo 9720	ACTUAL	PROJECTED	ACTUAL	PROJECTED				
CASH BEGINNING OF MONTH	\$13,614,565.73	\$0.00	\$4,940.39	\$11,296.13	\$3,805.60	\$8,912.31	\$0.00	\$0.00	\$53,183.42	\$0.00	\$0.00	\$911.95	\$0.00	\$142,985.00	\$62,484.87	\$0.00	\$0.00	\$21,520.78	\$0.00	\$29,420.07	\$127,998.83	\$142,461.67	\$139,002.48	\$11,526.98	\$2,699,275.97	\$828.69	\$5,323.82	\$17,080,444.69	\$8,438,172.64						
Temp Labor																												\$3,333.86		\$20,587.67					
Terminal Expense																													\$2,914.29		\$29,785.43				
Terminal Repairs																													\$435.75		\$14,130.62				
Tires																														\$0.00		\$1,222.88			
Tolls	\$48,250.54																													\$48,533.74		\$267,818.38			
Traffic Violations																														\$1,977.50		\$2,456.50			
Trailer Financing																														\$2,865.87		\$28,728.36			
Union 401K																															\$0.00		\$71,896.13		
Union Benefits - Dental																															\$0.00		\$120,703.88		
Union Dues																															\$1,711.43		\$201,945.52		
Unloading Allowances																															\$0.00		\$128.00		
Utilities																															\$56,757.75		\$98,517.59		
Vehicle Fluids																															\$0.00		\$4,600.91		
Vehicle Financing																															\$6,222.80		\$92,570.29		
Vehicle Maintenance	\$27,336.14																														\$1,681.71		\$29,017.85		
Vehicle Parts																															\$685.75		\$433,701.64		
Vehicle Rental	\$1,838.74																														\$0.00		\$1,838.74		
Vehicle Repairs																															\$0.00		\$60,394.26		
Workers Comp																															\$2,140.13		\$770,629.08		
Bank Transfer																															\$0.00		\$879,000.00		
Intercompany Transfers																															\$130,000.00		\$142,463.67		
Duplicated Checks - Voided																																	\$1,421,391.84		\$1,693,855.51
TOTAL DISBURSEMENTS	\$3,586,979.80	\$263,147.83	\$4,995.27	\$11,321.78	\$25.00	\$713.44	\$0.00	\$0.00	\$784.78	\$2,914,679.11	\$1,543,572.32	\$0.00	\$112.22	\$0.00	\$1,237,634.69	\$0.00	\$0.00	\$0.00	\$70.07	\$288,920.64	\$57.75	\$130,007.75	\$142,488.67	\$2.00	\$0.00	\$1,421,391.84	\$0.00	\$0.00	\$11,546,904.96	\$40,599,874.21					
NET CASH FLOW	-\$5,180,406.50	\$0.00	-\$4,940.39	-\$11,296.13	-\$24.37	-\$713.44	\$0.00	\$0.00	\$5,729.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,781.53	\$0.00	\$0.00	\$0.00	-\$70.07	\$0.00	-\$57.22	-\$127,807.75	-\$142,461.67	-\$2.00	\$1.89	-\$1,419,290.98	\$0.00	\$98.70	-\$6,879,458.54		\$1,762,813.52				
(RECEIPTS LESS DISBURSEMENTS)																																			
CASH - END OF MONTH	\$8,434,159.23	\$0.00	\$0.00	\$0.00	\$3,781.23	\$8,198.87	\$0.00	\$0.00	\$58,913.28	\$0.00	\$0.00	\$911.95	\$0.00	\$142,985.00	\$64,266.40	\$0.00	\$0.00	\$0.00	\$21,450.71	\$0.00	\$29,362.85	\$191.08	\$0.00	\$139,000.48	\$11,528.87	\$1,279,984.99	\$828.69	\$5,422.52	\$10,200,986.15	\$10,200,986.16					

Notes:

(1). The ending balance in March for TD-Canada will not equal the beginning balance for April due to the timing of a \$130K intercompany transfer. Due to the timing & reporting of the transfer, it was captured in both bank statements. For this reason, it is being backed out in the accumulated intercompany calculation, so not to calculate it twice.

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	
TOTAL DISBURSEMENTS	\$11,546,904.96
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	(\$1,693,855.51)
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	0
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$9,853,049.45

In re: New England Motor Freight, Inc., et al.
01. New England Motor Freight (NEMF)

Case No. 19-12809 (JKS) (Jointly Administered)
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BANK RECONCILIATIONS
Continuation Sheet for MOR-1

continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.

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SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID

This schedule is to include all retained professional payments from case inception to current month.

In re: **New England Motor Freight, Inc., et al.**
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Case No. **19-12809 (JKS) (Jointly Administered)**
Reporting Period: **3/31/2019-5/4/2019**

STATEMENT OF OPERATIONS
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

	Month	Cumulative
		Filing to Date
REVENUES		
Freight Revenue	(333,925)	(1,446,562)
EFW-HESS		
Other Operating Revenue	(4,933)	317,159
Net Revenue	(338,858)	(790,546)
OPERATING EXPENSES		
Salaries - Supervisors (incl. All Severance Payments)	576,747	8,394,440
Salaries & Wages	147,610	2,389,984
Miscellaneous Paid Time Off	24,683	357,514
Other Fringes	2,229,916	7,758,617
Operating Supplies	248,596	1,822,222
General Supplies & Expenses	88,184	206,069
Operating Taxes & Licenses	303,485	644,845
Insurance	202,954	178,509
Communication & Utilities	114,988	210,113
Depreciation & Amortization		0
Revenue Equipment Rentals		24,735
Building Rentals	419,090	1,826,868
Professional Fees	1,089,684	1,918,325
Bad Debt Expense	148,568	237,770
Miscellaneous Expense	5,171	5,130
Total Expenses	5,599,678	20,375,464
Net Profit (Loss) Before Other Income & Expenses	(5,938,535)	(21,166,010)
OTHER INCOME AND EXPENSES		
Interest Income	16,975	35,243
Interest Expense	(1,189)	(22,187)
Sundry Deductions		0
Gain (Loss) from Sale of Assets	21,395	71,077
TOTAL OTHER INCOME (DEDUCTIONS)		
Provision For Income Taxes	9,320	33,316
Net Profit (Loss)	(5,910,673)	(21,143,056)

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STATEMENT OF OPERATIONS - continuation sheet

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

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BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
CURRENT ASSETS		
Cash and cash equivalents	\$9,511,431.00	\$4,798,261.00
Accounts receivable, customers and interline, net	\$5,221,298.00	\$42,806,590.00
Receivables, taxes and others	\$472,907.00	\$726,909.00
Notes and loans receivable, stockholders and affiliates, net	\$3,982,835.00	\$12,698,146.00
Materials and supplies inventories	\$2,153,521.00	\$2,443,561.00
Prepaid insurance claims	\$15,090,344.00	\$0.00
Prepayments and other deferred charges	\$4,567,875.00	\$4,735,834.00
Refundable income taxes	\$13,160.00	\$10,510.00
TOTAL CURRENT ASSETS	\$41,013,371.00	\$68,219,811.00
PROPERTY AND EQUIPMENT		
Revenue equipment	\$213,773,424.00	\$213,773,116.00
Miscellaneous equipment	\$17,853,178.00	\$17,853,178.00
Computer and office equipment	\$4,644,508.00	\$4,644,508.00
Service cars and equipment	\$4,028,478.00	\$4,028,478.00
Leasehold improvements	\$34,198,699.00	\$34,198,699.00
Land and Building	\$753,883.00	\$753,883.00
TOTAL PROPERTY & EQUIPMENT	\$275,252,170.00	\$275,251,862.00
Less accumulated depreciation and amortization	-\$186,171,805.00	-\$186,171,805.00
OTHER ASSETS		
Security and other deposits	\$1,768,778.00	\$1,767,220.00
Notes receivable, stockholders' insurance premiums	\$5,208,569.00	\$5,208,569.00
	\$6,977,347.00	\$6,975,789.00
TOTAL ASSETS	\$137,071,083.00	\$164,275,657.00
LIABILITIES AND OWNER EQUITY		
LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)		
Accounts payable, trade and interline	\$10,786,743.00	\$9,367,429.00
Loans payable, letters of credit drawn	\$28,974,608.00	\$0.00
Notes and loans payable, stockholders and affiliates	\$98,324.00	\$98,323.00
Current portion of long-term debt	\$4,671.00	\$436,732.00
Accounts payable, affiliates	\$13,814,576.00	\$18,381,253.00
Current portion of liabilities for claims and insurance	\$0.00	\$19,665,483.00
State income taxes payable	\$0.00	\$0.00
Wages, pension and payroll taxes payable	\$259,168.00	\$5,584,043.00
Other current liabilities	\$331,350.00	\$459,887.00
TOTAL POSTPETITION LIABILITIES	\$54,269,440.00	\$53,993,150.00
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)		
Long-term debt, net of current portion	\$45,574,974.00	\$46,002,109.00
Liabilities for claims and insurance, net of current portion		
Other long-term liabilities	\$1,553,629.00	\$1,553,629.00
TOTAL PRE-PETITION LIABILITIES	\$47,128,603.00	\$47,555,738.00
TOTAL LIABILITIES	\$101,398,043.00	\$101,548,888.00
OWNER EQUITY		
Capital Stock	\$17,830,322.00	\$17,830,322.00
Retained earnings	\$17,842,718.00	\$44,896,447.00
NET OWNER EQUITY	\$35,673,040.00	\$62,726,769.00
TOTAL LIABILITIES AND OWNERS' EQUITY	\$137,071,083.00	\$164,275,657.00
Check	\$0.00	\$0.00

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BALANCE SHEET - continuation sheet

Restricted Cash is cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

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STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.

Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.

Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
Federal						
Withholding	\$26,679	\$97,270	\$106,161			\$17,787
FICA-Employee	\$16,704	\$57,678	\$64,400			\$9,982
FICA-Employer	\$16,704	\$57,143	\$64,401			\$9,446
Unemployment	\$110,016	\$101	\$109,881			\$236
Income						\$0
Other:_____						\$0
Total Federal Taxes	\$170,103	\$212,191	\$344,843	\$0	\$0	\$37,451
State and Local						
Withholding	\$104,356	\$33,465	\$136,219			\$1,603
Sales	\$0					\$0
Excise	\$0					\$0
Unemployment	\$578,685	\$11,282	\$579,887			\$10,079
Real Property						\$0
Personal Property						\$0
Other:_____						\$0
Total State and Local	\$683,041	\$44,747	\$716,106	\$0	\$0	\$11,682
Total Taxes	853,144	256,938	1,060,949	0	0	49,133

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

		Number of Days Past Due				Total
		0-30	31-60	61-90	Over 90	
Accounts Payable		\$673,119.77	\$342,485	\$135,202	\$0	\$1,150,807
Wages Payable						
Taxes Payable						
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees (inclusive in AP)		\$230,877	\$273,373	\$92,027		\$596,277
Amounts Due to Insiders* (inclusive in AP)		\$1,829	\$61	\$7,245		\$9,135
Other:_____						
Other:_____						
Total Postpetition Debts	\$0	\$673,120	\$342,485	\$135,202		\$1,150,807

*"Insider" is defined in 11 U.S.C. Section 101(31).

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ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	\$9,836,114
+ Amounts billed during the period	\$6,631
- Amounts collected during the period	(\$4,621,446)
Total Accounts Receivable at the end of the reporting period	\$5,221,298
Accounts Receivable Aging	Amount
0 - 30 days old	\$22,548
31 - 60 days old	\$90,622
61 - 90 days old	\$2,024,846
91+ days old	\$4,564,172
Total Accounts Receivable	\$6,702,187
Amount considered uncollectible (Credits)	(\$1,364,725)
Accounts Receivable - Open AR	\$5,337,462
Intercompany	(\$116,164)
Accounts Receivable (Net)	\$5,221,298

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below. Yes: We had approval from UCC and UST to sell scrapped equipment	<input checked="" type="checkbox"/>	
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below. Yes: Transferring balances to JPMC operating account and paying bank fees.	<input checked="" type="checkbox"/>	
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	<input checked="" type="checkbox"/>	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	<input checked="" type="checkbox"/>	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.		<input checked="" type="checkbox"/>